

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6200

BILL NUMBER: SB 56

NOTE PREPARED: Feb 28, 2005

BILL AMENDED: Feb 24, 2005

SUBJECT: Department of Homeland Security.

FIRST AUTHOR: Sen. Wyss

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill abolishes the State Emergency Management Agency, the Fire and Building Services Department, the Public Safety and Training Board, the Advanced Life Support Subcommittee, the Public Safety Institute. It transfers the functions of these entities to the Department of Homeland Security.

The bill reduces the membership of the Fire Prevention and Building Safety Commission. It requires the Governor to appoint members to the commission. It makes several changes relating to emergency medical services dispatch certification. It also transfers statutes and repeals superseded statutes.

The bill requires the Legislative Services Agency to prepare legislation for introduction in the 2006 Regular Session of the General Assembly to organize and correct statutes affected by the establishment of the Department of Homeland Security.

Effective Date: (Amended) May 15, 2005.

Explanation of State Expenditures: *Law Enforcement Training Board.* The governing body of the Indiana Law Enforcement Academy and satellite academies is the Law Enforcement Training Board. The board and council are selected by the Governor and comprised of 14 members. The bill adds to the board the deputy director of the Division of Preparedness and Training of the Department of Homeland Security, who will serve as chair of the board. The bill also adds a county sheriff and adjusts population parameters for county sheriffs who serve on the board. The bill also specifies that the chief of police that serves on the board may not be from a consolidated city. The board meets six times a year. Adding two members will increase administrative

expenses for the board. The bill also adds an additional member to the board's advisory committee. The overall impact is not expected to be over \$1,500 in additional expenses. Expenses of the board are paid from the Law Enforcement Academy budget, which derives 60% of its funding from the Law Enforcement Training Fund and 40% from the state General Fund.

Reduction in the Number of Members on the Indiana Emergency Management, Fire and Building Services, and Public Safety Training Foundation. The bill reduces the number of members on the Training Foundation from 15 to nine. The Foundation is funded through the sale of license plate fees which are deposited into the following funds:

- (1) Emergency management fund.
- (2) Fire services fund.
- (3) Building services fund.
- (4) Emergency medical services fund.
- (5) Stewardship fund.

Each fund receives 22.5% of the license plate fee except for the stewardship fund which receives 10%. Reducing the number of members will reduce expenditures from the funds for mileage and travel expenses.

Transferring Duties to the Department of Homeland Security (DHS). This bill removes duties from the State Emergency Management Agency, the Fire and Building Services Department, the Public Safety and Training Board, and the Public Safety Institute and transfers them to the Department of Homeland Security. The statutory transfer of various functions and responsibilities of the Department will not necessarily represent a fiscal impact to the state. Any costs that might be incurred from a physical relocation of offices and/or any expenditures that could be reduced because of operational efficiencies will depend upon administrative action.

Establishment of the Department of Homeland Security. The bill establishes the DHS. The DHS consists of the following divisions:

- (1) Division of Planning and Assessment;
- (2) Division of Preparedness and Training;
- (3) Division of Emergency Response and Recovery; and
- (4) Division of Fire and Building Safety.

The Governor appoints the DHS executive director who is entitled to receive compensation at an amount set by the Governor. The director serves as the chief executive and administrative officer who administers federal and state homeland security money for state and local governments. The director also is authorized to use and allocate the services, facilities, equipment, personnel, and resources of any state agency in preparation for and in response to an emergency or disaster. The director may appoint employees and fix their compensation subject to the approval of the State Budget Agency.

Transfers from the Public Safety Training Board and Public Safety Institute to DHS. The property, appropriations, leases, obligations, personnel positions of the Board and Institute are transferred to the DHS.

Transfers from the State Emergency Management Agency (SEMA) to the DHS. The bill transfers powers and duties, property, appropriations, funds, personnel positions, leases, and obligations from SEMA to the DHS.

Transfers from the Department of Fire and Building Services (DFBS) to the DHS. The bill transfers powers, duties, property, appropriations, funds, personnel positions, leases, and obligations from DFBS to the DHS.

Transfers from the Office of the State Building Commission (OSBC) to the DHS. The bill transfers powers, duties, property, personnel positions, leases, and obligations from OSBC to the DHS Division of Fire and Building Safety.

DHS Division of Planning and Assessment. The bill provides that the Division of Planning and Assessment must develop a single strategic plan for preparing for and responding to homeland security emergencies; assess state and local security needs; and disburse federal and state homeland security money for all state and local governments. The DHS director must appoint a deputy executive director to manage the division.

DHS Division of Preparedness and Planning. The bill provides that the Division of Preparedness and Planning must administer the Indiana Emergency Management, Fire and Building Services, and Public Safety Training Foundation and all other state emergency management and response training programs. The division must provide training on a voluntary basis for public safety service providers. The division may establish training facilities, conduct studies, and require reports from providers. The division may originate and disseminate materials to providers, issue diplomas or certificates, and assist providers in providing training. The division must also provide for emergency medical technician based certificates. The bill provides for temporary certificates. The powers and duties of the Public Safety Training Board and Public Safety Institute are transferred to the division. The DHS director must appoint a deputy executive director to manage the division.

DHS Division of Emergency Response and Recovery. The bill provides that the Division of Emergency Response and Recovery must administer the State Emergency Management and the state's emergency operations functions during an emergency. The DHS director must appoint a deputy executive director to manage the division.

DHS Division of Fire and Building Safety. The bill provides that the Division of Fire and Building Safety must administer emergency medical services; the Emergency Medical Services Commission; building and safety regulations; the Fire Prevention and Building Safety Commission; the Board of Firefighting Personnel Standards and Education; the Boiler and Pressure Vessel Rules Board; the Regulated Amusement Device Safety Board; the DFBS (which includes the Office of the State Fire Marshal, Office of the State Building Commissioner, Division of Management Information and Statistics, Division of Education and Information, Division of Technical Services and Research, and the Division of Administrative Services); the Fire and Building Services Fund; the Firefighting and Emergency Equipment Revolving Loan Fund; the plan review division; a division of elevator safety and amusement devices; and a division of boiler and pressure vessel safety. The division must employ a building law compliance officer to administer the building safety laws.

Counterterrorism and Security Council. The bill changes the composition of the Council and some of its duties. These provisions should add no significant additional expenses to the Council. Appropriations, leases, obligations, property, powers, duties, and personnel positions of the Council are transferred to the DHS.

Fire Prevention and Building Safety Commission. The bill reduces the membership of the commission from 19 to 11. The bill expands the list of recognized interests or skills that the members could have. The bill also terminates the term of current members on July 1, 2005.

Repeals. The bill repeals portions of existing laws pertaining to the Public Safety Institute, the Public Safety Training Board, the State Emergency Management Agency, the Fire and Building Services Department, Office of the State Fire Marshal, and Office of the State Building Commissioner.

Legislative Services Agency (LSA). The bill provides that LSA must prepare legislation for introduction in the 2006 Regular Session of the Indiana General Assembly to organize and correct statutes affected by the establishment of the DHS. LSA should be able to implement this provision given its existing budget and resources.

Current Structure		Estimated Proposed Structure
Department [staff/total salaries]	Divisions [staff/total salaries]	
Department of Fire & Building Services (DFBS) [163 / \$5,530,019] Funding: Dedicated	State Building Commissioner's Office [2 / \$95,062]	DHS Division of Fire and Building Safety
	State Fire Marshal's Office [4 / \$202,990]	
	Executive Office [4 / \$178,171]	DHS Division of Planning and Assessment
	Misc [3 / \$87,243]	
	Info & Public Outreach [1 / \$40,462]	DHS Division of Fire and Building Safety
	Admin Services [11 / \$320,170]	
	MIS [5 / \$252,310]	
	Technical Services, Education & Information [5 / \$214,344]	
	Code Enforcement [26 / \$874,185]	
	Plan Review [14 / \$478,998]	
	Elevator & Amusement Safety [18 / \$564,876]	
	Boiler/Pressure Vessel [12 / \$455,481]	
	Invests Section [13 / \$459,907]	
	Fire Inspections Div [2 / \$67,177]	
	Fire Inspections [30 / \$871,533]	
	Hazmat & Invests Div [5 / \$156,448]	
	Undefined [8 / \$210,658]	

<p>State Emergency Management Agency (SEMA) [50 / \$1,905,728] Funding: General, Dedicated, and Federal</p> <p><i>Emergency Management Plan:</i> SEMA is responsible for the coordination for the preparation and continuous updating of the Indiana Comprehensive Emergency Management Plan. The Plan establishes the basis for providing state assistance to local governments impacted by a disaster or emergency requiring state and possibly federal assistance.</p>	Executive [2/\$67,860 (No Dir)]	DHS Division of Emergency Response and Recovery
	Emergency Management Branch [1 / \$71,818]	
	Mitigation/Recovery [8 / \$ 276,841]	
	Operations [4 / \$ 164,697] Field Operations [5 / \$181,993]	
	Preparedness [6 / \$215,299]	
	Technological Hazards [8 / \$304,317]	
<p><i>Emergency Medical Services:</i> SEMA maintains the certification of EMS providers, vehicles, and sponsoring hospitals; provides technical assistance to local communities concerning the development and improvement of local EMS systems; and investigates all verifiable complaints involving ambulance services or personnel.</p>	Operations/Confidential Complaints [5 / \$169,975]	
	Data Management [2 / \$96,115]	
	Info & Public Outreach [2 / \$87,516]	
	Administrative Services [3 / \$103,233]	
	Anti-Terrorism [4 / \$166,062]	
<p>Public Safety Training Institute (PSTI) provides or coordinates training and continuing education for the state's public safety practitioners. The institute's associates currently present training through PSTI's four specialized academies: emergency management, emergency medical services, fire services, and hazmat. PSTI maintains certification records for Indiana firefighters and EMS personnel.</p> <p>FUNDING: Dedicated and federal. IC 5-2-10.5-21 The board may establish fee schedules and charges for items or services provided by the board; training conducted by the PSTI; other institute activities.</p>		DHS Division of Preparedness and Planning
	Radio Operators [6/\$136,929]	DHS Division of Fire and Building Safety
	Fire Certification & Training [9/\$250,360]	
	EMA Exercise & Training [3/\$103,759]	
	Fire Services & Hazmat Training [2/\$66,924]	
	Terrorism & Special Projects [1/\$40,872]	

Explanation of State Revenues: (Revised) *DHS Division of Preparedness and Training*. The bill provides that the Division of Preparedness and Planning may establish fees for items, services, and training provided. The division may accept gifts and grants. The amount of revenue that will be generated is indeterminable.

Explanation of Local Expenditures: See *Explanation of State Expenditures* above.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: Public safety providers.

Information Sources: Scott Mellinger, Director of the Law Enforcement Training Academy, 839-5191; Earl Morgan, Homeland Security ISP, 232-8248; Mara Snyder, Office of the State Fire Marshal.

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